

April 10, 2007

Mr. Thomas J. Christofk Air Pollution Control Officer Placer County Air Pollution Control District 11464 B Avenue Auburn, CA 95603

re: ALECS Demonstration Project Final Report

Dear Mr. Christofk:

Union Pacific Railroad (UPRR) is pleased to have been a major sponsor in a collaborative project to evaluate stationary air pollution control equipment to capture and treat emissions from locomotives in the J.R. Davis Yard. The ongoing strong working relationship between the Placer County Air Pollution Control District (District) and UPRR was a key factor in the completion of the project.

The Advanced Locomotive Emission Control System (ALECS) proof-of-concept project was a short-term effort involving the development of locomotive-specific interfaces to capture emissions from stationary or slow moving locomotives, and the testing to demonstrate the effectiveness of air pollution control equipment.

We will perform a thorough review and provide detailed comments to you by early May. We agree with the general conclusions of the report that indicate the scrubber portion performed very well, that significant work remains to develop and prove the collection mechanism, and that the wide ranging CE estimates are based upon (1) an optimized, yet to be developed installation, (2) numerous assumptions for several aspects of the yards operations, and (3) site and location specific characteristics. This test was the first step to determine applicability and adaptability of the technology.

Upon submittal of our review comments, we would like to accept your offer to post them on your website along side the April 2, 2007 report. We do look forward to continuing to work with you and your staff in the future.

Sincerely,

Lanny A. Schmid

Director of Environmental Field Operations